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Via U.S. Mail and Email

Financial Crisis Inquiry Commission  
1717 Pennsylvania Avenue, NW, Suite 800  
Washington, DC 20006-4614

Re: Testimony for Field Hearing, September 23, 2010, Sacramento, California

Dear Chairman Angelides, Vice Chairman Thomas, and members of the Commission:

My name is Allen Carpenter. I used to work as a general contractor, but am now retired. My wife and I live on my social security check and her income from her retail job. My wife and I bought a home in Pleasant Grove, California in 2001 and owned it for nine years. Our loan was with Washington Mutual. It was a 30-year fixed loan at a 7 percent interest rate. GMAC was the servicer.

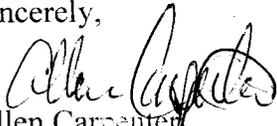
As the housing market began to slow and my income was dropping, we had to refinance three times in order to make ends meet. The last time we refinanced was in 2007 right before the housing market crashed and construction completely dried up. During the times we refinanced, I was ignorant about all the risks involved in taking on an Option ARM and interest only loan based on stated income. My wife and I wanted to do the right thing and pay all our bills even as the mortgage payments adjusted to a very high rate. We cashed out our 401K in which we had \$200,000 (this was all our retirement savings) just trying to keep our heads above water, but eventually, we simply could not keep up. We ended up having to file for bankruptcy. I wanted to try to hang on to our home, so my bankruptcy attorney suggested that I try to get a loan modification. I contacted GMAC for the purpose.

Trying to work things through with GMAC was a nightmare. They would rarely return my calls and when I could get through, they denied that I had ever called before. I also tried other to get modifications from other companies, but got the same runaround, even though I understand from consulting with someone at the Senior Legal Hotline in Sacramento that I was a good candidate for a modification under the HAMP program if you plugged our financial information into the HAMP formula. During the whole time that we were attempting to get a loan modification, I was sweating bullets and felt stressed day and night.

We ended up having to declare bankruptcy and lost our home in a foreclosure sale this year. Though I am very unhappy about losing our home and angry about the ordeal we went through, I am at peace with our situation. At least the headaches are gone.

Still, I feel that the federal government and the banks are not doing nearly enough to protect consumers like my wife and me. Wells Fargo and other big banks got bailed out even though they are a big reason for the financial mess we are all in because they knew and still know that if there is an Option ARM or interest only loan, they are dealing with a situation where income has not been verified and probably isn't enough to make the payments once the rates adjust. It seems that the government is more interested in supporting the banks, servicers, Fannie Mae and Freddie Mac than homeowners and consumers. This needs to change. Thank you for taking my testimony.

Sincerely,



Allen Carpenter